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9 July 1987

MEMORANDUM FOR: Barry Horton

FROM:

H. F. Hutchinson, Jr.

SUBJECT:

Analytic Group

1. The attached set of papers on the Analytic Group is interesting. First, it appears to be a justification for the AG, and I assume that Kate Hall prepared it for you.

- 2. The paper suffers from the same defects that affect the oral descriptions of the AG; confusion about its mission and capabilities, a naive sense of self-importance, and a peculiar detachment from what is the daily substance of estimates or other aspects of the NIO duties. As advertising or promotion copy, the paper suffers from internal contradictions and gross exaggerations of capabilities of any group of nine people. The present members of the AG are talented people, making useful contributions to the intelligence effort, but most would be too modest to make these claims for the AG contributions, and with good reason.
- 3. Please see my attached notes, keyed to the circled numbers on the original text. Where does this leave our debate about the utility of the AG, in concept or its present orientation? I suggest that the debate focus on the various missions suitable for a group of half a dozen people.
 - Research and analysis a.
 - Drafting estimates for NIOs b.
 - Editing staff C.
 - General purpose staff aides for C/NIC and NIOs. d.

The nine people presently in the AG (plus the secretary and the two Intelligence Assistants) cannot perform all of these functions. The inefficiencies of their current activity, a productivity probably less than any group of similar size in the DI, derive from their confusion about what they are and where they should concentrate their effort.

4. Let's discuss.

F. Hutchinson, Jr.

Attachment: Notes

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- Generally true. Note the phrase in next to last sentence "drafting staff."
- 2. The AG is not the only place in the Community devoted to "global futures analysis." Nonsense! First of all, how do we square "... exclusively to global futures analysis" with the rationale cited earlier of "... drafting staff." Secondly, what is the DI/OGI if not "global futures analysis?"
- 3. The first sentence illustrates the identity problem, the failure to perceive clearly their mission. Yes, their original mission was "... to draft NIEs..." (see Origin), but now in this 3rd para they have lost the thread of "... exclusively to global futures analysis." We should also investigate further what "... other forms of policy relevant, premonitory analysis for the DCI and the NFIB agencies." I am unaware of these products and am especially curious about AG taking on drafting/analysis tasks for other agencies.
- 4. Can't understand the reference to "tribal memory." There are more people with longer association with estimates process outside AG than inside. has been there off and on since 1980, came in 1984, and the other 6 members arrived between 1985 and last month.
- This sounds like an entry in a purity contest. Are the AG members more independent than the majority of drafters in past few years selected at random from Intelligence Community? Perhaps the arrogance is not intended but the phrasing "... independent analytical expertise..." is rather overwhelming when one considers the sum of the experience/skills of these 9 people compared to what is available in the whole of the Community.
- 6. "... Intelligence Community's principal training center for estimating skills and methods." Although the effort probably can't be justified, it would be enlightening to ask the "... current division chiefs..." if they learned what was the key to their success in the AG, to check the "CIA, the military services, and other agencies" how much training their managers received in the AG. Undoubtedly people have benefited from AG service, but their claim to be the "principal training center" seems a bit immodest.

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7. Again we come back to AG perception of mission. Here they "... spend full time on NIC matters." In <u>Current Status</u> and <u>Functions</u> the AG did global features analysis for the <u>Community</u>, premonitory analysis for DCI and the NFIB agencies, and drafted NIEs. Are all of these NIC matters?

The next sentence is a description of a research center on methodology although it is not clear whether it concerns estimates or metaphysics.

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THE NATIONAL INTELLIGENCE COUNCIL'S ANALYTIC GROUP

ORIGIN

The Analytic Group was an integral component of the National Intelligence Council, which was formed in 1980 to provide more structure and policy relevance to the national estimate process. At that time there was a broad consensus in the national intelligence and foreign policy communities, as well as the congressional oversight committees, that during the 1970s the number and quality of national estimates had deteriorated to alarmingly low levels. A congressional review of the situation had concluded that this had occurred in part because of the lack after 1973 -- when the Office of National Estimates was abolished -- of an experienced and independent drafting staff. Thus the Analytic Group was constituted as a solution to the perceived problem of low-quality estimates.

CURRENT STATUS

The Analytic Group is the only center in the Intelligence Community devoted exclusively to global futures analysis. by an NIO at Large, the Analytic Group currently has eight "senior estimates officers" from various intelligence agencies as. well as the military services, most serving rotational tours of two or three years. Several current and former AG officers are nationally recognized experts in their fields with ties to the academic, intelligence, and policy communities. (Biographies of current members are attached.)

FUNCTIONS

The primary function of the AG members is to draft NIEs and other forms of policy relevant, premonitory analysis for the DCI and the NFIB agencies. AG members are also called upon frequently to update, sharpen, revise, rewrite, or otherwise "fix" ailing drafts submitted to the NIOs by analysts from other Last year AG officers fixed some 10 estimates for various NIOs and drafted some 15 estimates of their own. addition, AG members serve as staff writers for the NIC, drafting memorandums, research papers, even speeches. This year, both the DCI's Worldwide Briefing to Congress and his Annual Report to Congress were drafted in the AG.

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The members of the Analytic Group also serve a number of other, less obvious but nevertheless valuable functions:

- -- They preserve the tribal memory of the NIC by providing a historical perspective both on the estimate process and on the various contentious estimative issues of past years.
 - -- They are a repository of <u>independent</u> analytical expertise not affected by the policy considerations that often constrain and shape the judgments of drafters from agencies involved in both intelligence and policymaking.
 - -- They constitute the Intelligence Community's principal training center for estimating skills and methods. Some two dozen AG "graduates" have gone on to management positions in the CIA, the military services, and other agencies. For instance, two current division chiefs of CIA's Office of Soviet Analysis are former AG members.

BENEFITS TO THE NIC

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The members of the Analytic Group spend full time on NIC matters. They are, therefore, able to develop a broad perspective on national issues, to think about tomorrow's crises rather than today's, to learn the difference between estimating and analysis, and to challenge conventional wisdom when appropriate. Moreover, they constitute the only pool of experienced estimate drafters in the Intelligence Community. Finally, they are always available to NIC management as a resource to be deployed in an analytic or drafting emergency. AG members frequently fill in as acting assistant NIOs (even occasionally as acting NIOs) when the principals are absent or indisposed.

